

175003

C. DUKES SCOTT
EXECUTIVE DIRECTOR

P.O. Box 11263
Columbia, S.C. 29211

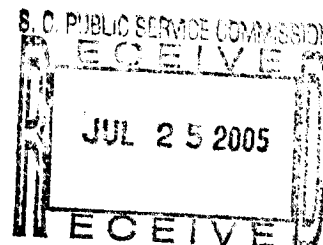


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DAN F. ARNETT
CHIEF OF STAFF

July 22, 2005

2005-203-C



Charles L. A. Terreni, Esquire
Chief Clerk and Administrator
Public Service Commission of South Carolina
Post Office Box 11649
Columbia, South Carolina 29211

Dear Charlie:

Enclosed is correspondence I received from Representative Kirsh regarding countywide toll-free calling within York County.

Representative Kirsh is asking the Public Service Commission to consider adding this issue to the filing for alternative regulation and rate adjustments by Comporium Communications.

Sincerely,

C. Dukes Scott

Enclosures

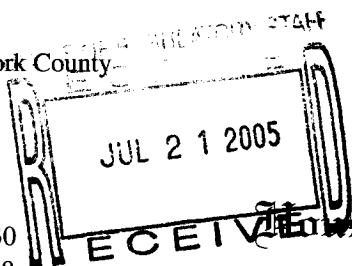
cc: The Honorable Herb Kirsh
M. John Bowen, Jr., Esquire

Herl Kirsh

District No. 47 - York County

Home Address:

Box 31
Clover, SC 29710
Bus. (803) 222-9430
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House of Representatives

State of South Carolina

532-A Blatt Building
Columbia, SC 29211
Tel. (803) 734-3071
Fax (803) 734-3103

7/20/05

Committees:

Ways and Means

Legislative, Executive, Tourism
and Local Government

Subcommittee

Personnel and Benefits
Subcommittee

Proviso Subcommittee, Chairman
Secretary-Treasurer

Invitations and Memorial Resolution

State House Committee

York County Legislative Delegation,
Secretary

Mr C Dukes Scott Dir

ORIS Bldg 11263

Columbia SC 29211

Dear Dukes

I am enclosing an article from today's Rock Hill Herald,
regarding Compcon's request to increase rates for telephone
service.

As a part of this request, I am enclosing a copy of
my House Bill 3066 to ask the PSC to consider adding this
request to any hearing on a rate increase for Compcon.

Herb Kirsh

District No. 47 - York County

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York County Legislative Delegation,
Secretary

*I have been working on this request for over 10 years
and I believe that this should be included if any
rate increase is granted.*

Thanks for your help on this matter.

Sincerely,

Rep Herb Kirsh



A BILL

TO PROVIDE THAT THE PUBLIC SERVICE COMMISSION
SHALL REQUIRE COUNTYWIDE TOLL-FREE CALLING TO
BE PROVIDED BY ALL TELEPHONE UTILITIES
OPERATING WITHIN YORK COUNTY BY JULY 1, 2005,
AND PROVIDE FOR RELATED MATTERS.

2006

Be it enacted by the General Assembly of the State of South
Carolina:

SECTION 1. (A) Unless otherwise prohibited by law, the Public
Service Commission shall require countywide toll-free calling to
be provided by all telephone utilities operating within York County
by July 1, 2005. Where two or more telephone utilities operate in
York County, each telephone utility shall provide countywide
toll-free calling to and from telephones within the area served by
the other telephone utility or telephone utilities in York County.

(B) The commission shall require telephone utilities to enter
into negotiations to provide for countywide toll-free calling
throughout their service areas. If the telephone utilities are unable
to reach an agreement within a time frame consistent with the
requirements of this section, the commission shall impose its own
countywide toll-free calling plan.

SECTION 2. Except as otherwise provided in this act, this act
takes effect upon approval by the Governor.

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JUL 21 2005

Comporium may increase rates to fight cell phones

By Rebecca Sulock
The Herald

Comporium customers could pay more for phone and cable service starting in September.

The Rock Hill-based company has asked the state for permission to raise prices for telephone service because of what company officials say is increased competition from cell phone companies.

If a state commission says OK to the company's request to raise rates, the increase would take effect Sept. 1, with more increases possible over the next two years. Cable customers also would see a slight rise in rates starting at the beginning of September, a move unrelated to the phone rate increase.

"Our costs have gone up," said Glenn McFadden, executive vice president for operations. "We're facing competition. People really don't think so, but we are."

Six wireless companies offer cell phone service that competes with Comporium's Rock Hill, Fort Mill and Lancaster telephone companies. That's what the company argued this month when it filed a request with the S.C. Public Service Commission, which will have to decide if cell phones provide the same level of service as so-called "land lines."

SEE COMPORIUM

Why is Comporium the only gig in town?

Comporium Communications' Rock Hill, Fort Mill and Lancaster telephone companies have a "rural exemption" from competition under a 1996 federal law. Other companies who want to compete have to request special permission from a state regulatory commission, a potentially cumbersome and costly process.

is federally regulated, which keeps other land-line competitors out but also sets limits on how Comporium can charge for certain services.

The PSC determines which companies are rural based on the amount of territory they have to handle, McFadden said.

"If a competitor came in and competed directly with us, they would probably take high concentrations of business, and we'd be left with less-profitable rural phone service," he said.

But some say if Comporium wants to raise its rates because of competition, the company needs to open up its market and play fair. "Why is it Comporium should be entitled to all these protections

when we're talking about a competitive market?" said Jack Pringle, a Columbia-based lawyer who has clients that would like to compete in the Rock Hill-area market.

There's some real inconsistencies and logical problems with that," he said.

Comporium says it didn't file for rural status, and it probably won't have it forever.

The PSC will mull over Comporium's argument late this month. Terreni said he wasn't sure when the commission would decide Comporium's case, but said it likely would be soon.

Rebecca Sulock • 329-4072
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Proposed increases in Comporium service rates

Comporium Communications wants to raise its rates starting Sept. 1. Here's what local customers would pay for phone service. According to the S.C. Public Service Commission, the statewide average rate for residential phone service is \$14.35. For business, the statewide average is \$28.70.

	Rock Hill residential	Fort Mill residential	Lancaster residential	
Current rate	\$13.60	\$10.65	\$14.30	Comporium also plans to raise its basic monthly cable rate from \$27.35 to \$28.55
New rate	\$14.35	\$12.50	\$14.35	
Increase	5.5 percent	17.5 percent	Increase 0.3 percent	
	Rock Hill business	Fort Mill business	Lancaster business	Source: Comporium Communications
Current rate	\$23.45	\$21.65	\$27.25	
New rate	\$26.07	\$25.18	\$28.70	
Increase	11 percent	6.3 percent	Increase 5 percent	

The Herald 7/20/05